(b) whether, in order to assist these companies, the Central Government have not expanded the capital base or conversion of loans into equity capital which resulted into negative performance of these companies;

(c) whether, in pursuance to the BIFR's direction to the Operation Agency for Tanery and Footwear Corporation of India Limited, no action was taken by the O.A. to prepare the revival scheme after thorough inspection of properties of the Company or its present day value physically;

(d) whether the Operating Agency for TAFCO viz. IFCI did not direct any officer to visit TAFCO, Kanpur, before finalisaton of its revival package; and

(e) what action is being taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) Yes, Sir. The Board for Industrial and Financial Reconstruction (BIFR) has reported that the balance sheet of a company takes into account interest not paid and penal interest, if any, as undischarged liabilities. Consequent to the extension of provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 to Public Sector Undertakings (PSUs) in December, 1991, the Board of Directors of sick PSUs are required to make a reference to the BIFR.

(c) As per the directions of BIFR, the Operating Agency (OA) was required to examine the turn-around proposals of Tannery and Footwear Corporation of India Limited (TAFCO) together with firmed up views of the Department of Heavy Industry and submit its report to the BIFR.

(d) BIFR has reported that the need for a visit by the representative of the OA to the works/office of a sick industrial company is normally left to the discretion of the OA.

(e) BIFR has reported that the case relation to AFCO has been recommended for winding up to the concerned High Court.

Fall in Indian Currency

6041. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item published in the 'Economic Times', New Delhi, dated the 28th April, 1995 under the caption "Decleration in inflows may weaken Re";

(b) if so, what is Gov.'s rtaction thereto;

(c) whether the Reserve Bank of India has been directed to initiate urgent steps to protect the Indian currency from further fall in its value; and

(d) if so, the facts and details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Yes, Sir.

(b) to (d) The exchange rate of rupee is determinel by demand and supply conditions in the foreign exchange market.

Voluntary Retirement Scheme for RBI Officials

6042. SHRI V. GOPALSAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI has finalised a Voluntary Retirement Scheme for its officials only;